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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 005902

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E.O. 12958: DECL: 09/10/2027

TAGS: PREL PARM PTER TBIO MNUC XF IR CH

SUBJECT: CHINESE SCHOLAR DESCRIBES INTERNAL DEBATE OVER

IRAN POLICY

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Classified By: Ambassador Clark T. Randt, Jr., for reasons 1.4 (b/d).

11. (C) Summary: China's Iran policy is the subject of heated debate within China's academic and foreign policy establishment, said Yin Gang, a Chinese research professor who recently returned from an officially sponsored trip to Iran. One camp, led by a senior People's Liberation Army (PLA) scholar, argues that China should pursue stronger ties with Iran to secure energy and economic advantages and is alleged to be dismayed by the Chinese Government's recent cessation of new military exports to Iran. Another camp, led by former Chinese Ambassador to Iran Hua Liming, argues that the Iran nuclear issue gives China an opportunity to play a positive role in the region and on the world stage. Yin believes that the Chinese government is balancing these two sets of interests. Currently, he told Poloff, China leans toward the position of the pro-Iran camp and generally does not support sanctions. However, Beijing's support for Iran is eroding, and the government has concluded that a Persian nuclear weapon is unacceptable to China, said Yin. End summary.

## ${\tt PLA \ Scholar \ Leads \ the \ Pro-Iran \ Pack}$

- 12. (C) In a September 6 conversation with Poloff, China Academy of Social Sciences research professor Yin Gang, recently returned from an eight-day trip to Iran under the sponsorship of the Chinese Embassy in Tehran, described the hot debate within the Chinese foreign policy elite over the direction of Chinese policy toward Iran. PLA Senior Colonel Liu Qiang leads one side of this debate, Yin said. In a report published earlier this year, Liu argued that China should strenuously pursue closer relations with Iran to secure economic benefits. Liu stressed the strategic importance to China's energy security of access to Iranian oil, as well as the growing importance of China-Iran trade links and other economic ties. Liu and his allies say closer ties to Iran will provide China with a powerful "counterweight" when managing the U.S.-China, China-EU and China-Russia relationships.
- 13. (C) In describing this position, Yin interjected his own view that China cannot ignore Iran as a source of energy for the expanding Chinese market. In addition, he described large and growing Chinese commercial interests in Iran. He said on his trip he learned that roughly seventy large Chinese business projects are underway in Iran, and Iran-related businesses in China may employ up to a million Chinese.

Others Push for Chinese Mediation

14. (SBU) Former Ambassador to Iran Hua Liming represents an opposing camp that stresses China's role as a responsible global power, Yin said. Hua argued in his article "The Iran Nuclear Issue and China's Diplomatic Choice" in the First Quarter 2007 issue of International Problems and Research (Guoji Wenti he Yanjiu) that the Iran nuclear problem provides China with an opportunity to play a more active, positive role on the world stage, consistent with President Hu Jintao's trademark "Harmonious World" foreign policy. Hua stops well short of support for U.S. sanctions against Iran, however. He says sanctions would be ineffective and a military solution would be unacceptable. However, he suggests that the nuclear crisis is an opportunity for China to play a more active diplomatic role in the Middle East by mediating U.S. and Iranian positions.

## Balancing Chinese Interests

15. (C) Professor Yin said that his recent trip to Iran convinced him that the Chinese Government is trying to embrace both camps. China's policy is to strengthen its relationship with Iran (and resist supposed U.S. unilateralism) by refusing to support sanctions in the short-term, but also to declare that a nuclear Iran is gravely destabilizing and unacceptable to China. Yin said that his meetings with China's current Ambassador to Iran, Liu Zhentang, indicated Liu is sill pushing for closer PRC ties to Iran. He said that support for this policy in Beijing has been waning as the Iranian nuclear problem becomes more acute. Yin said Ambassador Liu and PLA officials he met in Tehran told him they are dismayed by the Chinese Government's recent cessation of new Chinese military exports to Iran.

Limits to Chinese Support for Iran

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16. (C) Yin said China's increased willingness to stem arms sales to Iran show that there are limits to the extent to which China will back Iran in the diplomatic conflict over its nuclear program. Despite Beijing's reluctance to use sanctions, Yin insists China and the United States have the same fundamental position on Iran's nuclear program. In the end, he said, the Chinese Government has decided that it will not accept a nuclear Iran. Furthermore, he said, China will never assist Iran should it come into direct conflict with the United States. He also stressed that an extreme action by Iran, such as a successful nuclear test, would force Beijing to change course and support a tougher international response.

## But Not Yet a Critical issue

¶7. (C) Yin said from the perspective of Chinese officials, however, Iran's nuclear program is not yet a real crisis. Citing China's own experience developing nuclear weapons, he said Chinese policy-makers believe Iran is several years away from becoming a genuine nuclear threat. Moreover, he said some policy-makers see protracted U.S.-Iranian tensions in China's interest and even fear that resolution of the nuclear issue and the consequent warming of U.S.-Iran relations would prove problematic for China. For these reasons, he said, the United States will have to "go it alone" in pursuing sanctions against Iran.

Iran Just One Issue

18. (C) Furthermore, Yin has concluded that Chinese policy-makers see Iran relations as a single point in a galaxy of related issues. The current cooperation on Iranian

arms sales that the United States is seeing from China, in particular, is directly related to what the Chinese perceive as improved U.S. engagement on Taiwan, particularly in the face of Taiwan's UN referendum effort. Moreover, China also worries about regional rivalries. Yin believes that Chinese policy-makers fear a backlash from the Sunni Arab countries, upon which China relies for much of its oil imports, should China be seen as too supportive of Iran. He also noted that there remain concerns among Chinese policy-makers about Iranian President Ahmadinejad and his potential to embarrass China in international forums such as the Shanghai Cooperation Organization.

19. (C) BIOGRAPHICAL NOTE: Yin is considered one of China's foremost experts on Israel/Palestine, despite the fact that he is seen as an academic outsider in China's rigid scholarly system. He refused to become a member of the Communist Party. This has constrained his career as an administrator, but he claims it offers him more academic freedom. He is frequently accused of being pro-Western and is occasionally, though temporarily, barred from appearing on state-run television. Randt